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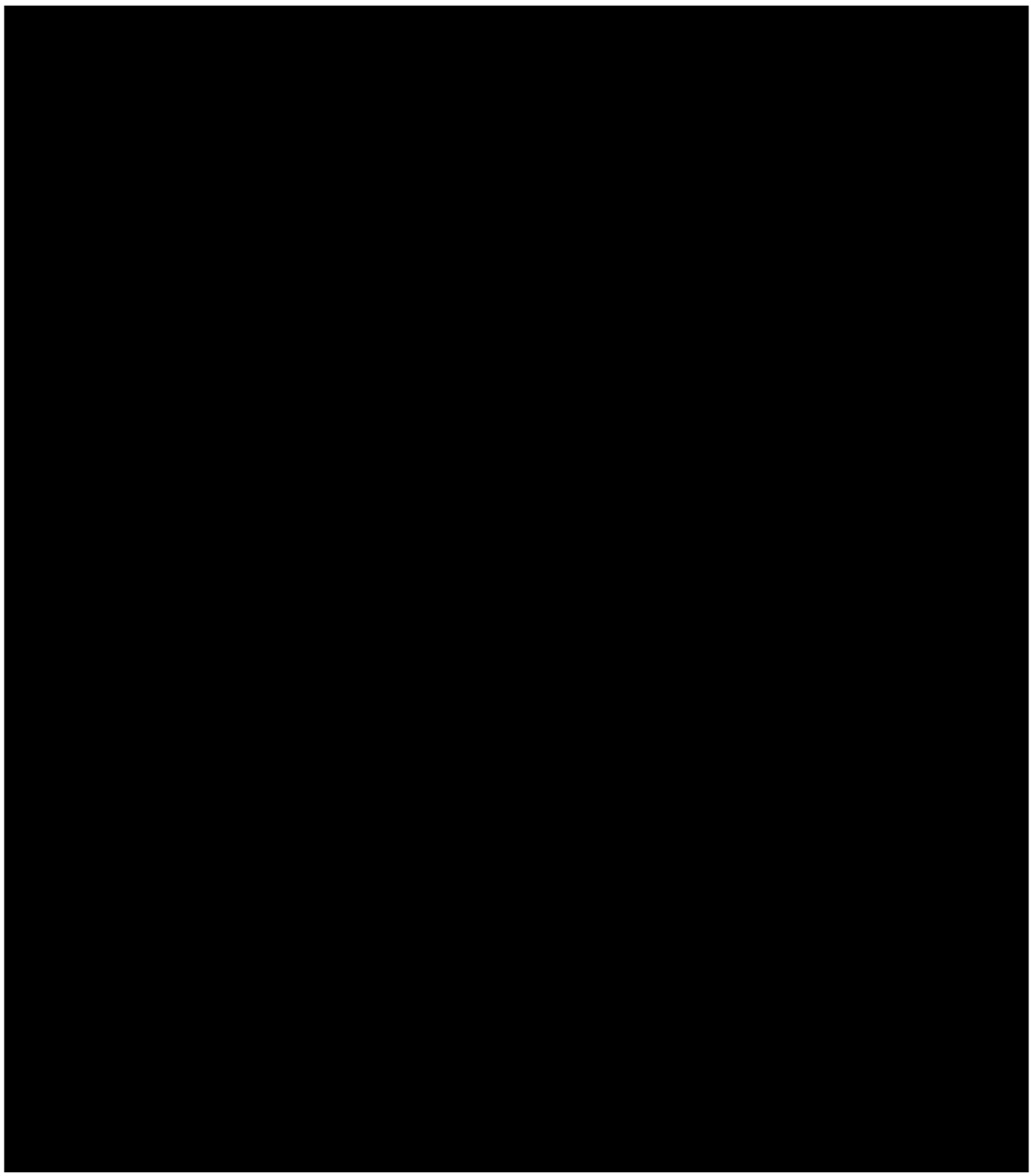

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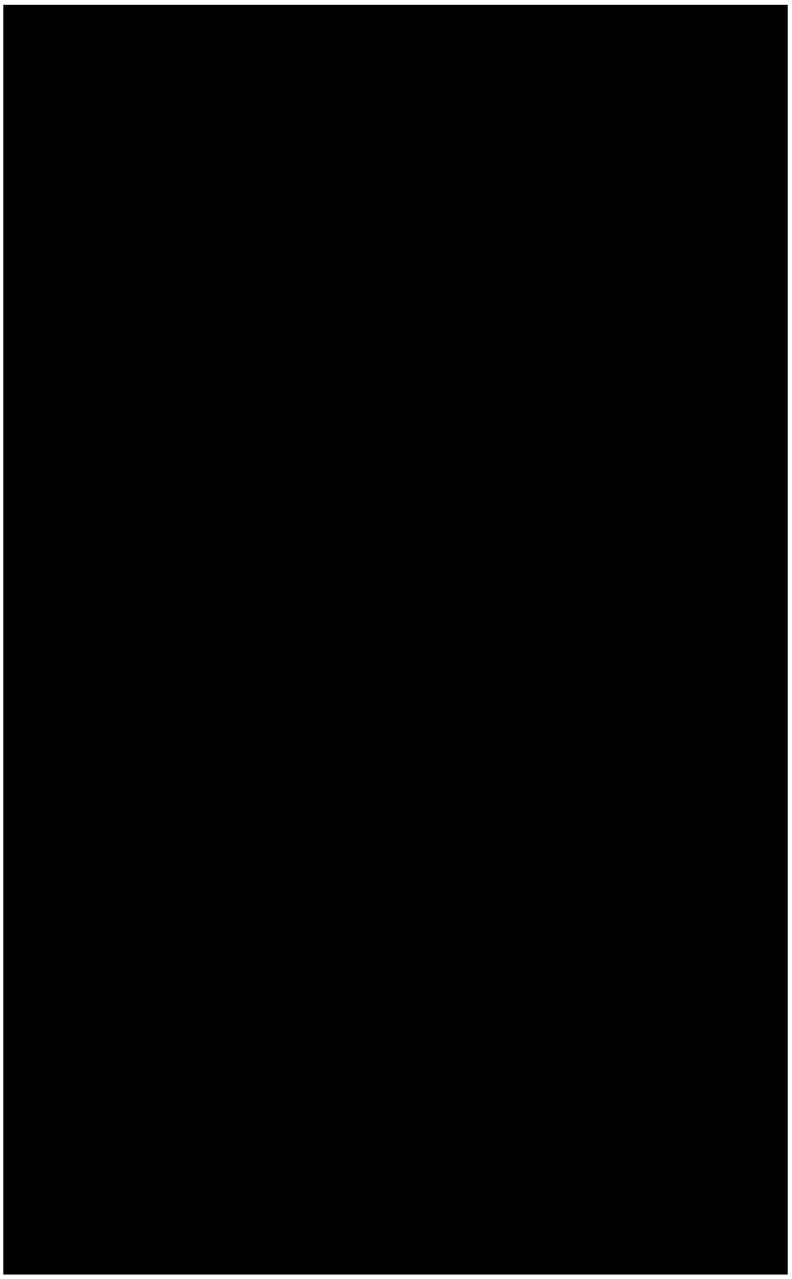

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Recent events—most notably the Soviet withdrawal from Afghanistan—have created opportunities that Moscow could exploit to enhance its position with the smaller states in the region. Nonetheless, traditional regional alignments, attitudes, and conditions should minimize Soviet gains in the near term [redacted]

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After Afghanistan: Soviet Relations With the Smaller States of South Asia

The USSR has recently initiated a campaign to improve its relations with the smaller states of South Asia, which had been relatively ignored by Soviet foreign policy in the past. Visits to Moscow by the Foreign Ministers and heads of state of Bangladesh, Nepal, and Sri Lanka may come to pass. The Soviets have made new proposals for improved trade, loans, and development projects, and even some offers of grant aid. Soviet officials have proclaimed their desire to expand ties to these states,

New Opportunities

Although not atypical of current Soviet diplomatic strategy, these gestures are built to a large extent on the opportunities created by specific regional events. By far the most important of these has been the withdrawal of Soviet forces from Afghanistan, completed on 15 February. The Soviet invasion was a major obstacle to the USSR's relations with the smaller states of South Asia because it demonstrated an apparent disregard on Moscow's part for the sovereignty of weaker neighbors, while simultaneously introducing Soviet ground forces directly into the region. The occupation of Afghanistan also hurt Soviet efforts by antagonizing the United States and China, traditional benefactors of the smaller South Asian states. The decision to withdraw from Afghanistan and the USSR's observance of the Geneva accords removed these stumblingblocks, while presenting Soviet diplomats in South Asia with something they could cite as proof that Gorbachev's "new thinking" is more than just a public relations campaign.

The death of Pakistani President Zia last August and the subsequent democratization that brought Benazir Bhutto to power complemented the Soviet withdrawal by leading to a thaw in Indo-Pakistani and Soviet-Pakistani relations. As India's longstanding foe, Pakistan has been viewed historically by the smaller states of the region as a counterweight to India, and, on many issues of regional importance, Pakistan has championed the cause of the other South Asian nations.

The decline in US aid to Bangladesh, Nepal, and Sri Lanka has contributed to the perception of a somewhat diminished US presence in the region. the prevailing impression in South Asia is that the United States will lose interest in the region as its attention to Afghanistan wanes in the aftermath of the Soviet troop withdrawal.

Old Obstacles

In taking advantage of the opportunities for improved relations with Bangladesh, Nepal, and Sri Lanka, the Soviets face several longstanding obstacles. By far the most important of these is the Indo-Soviet "special relationship." India is perceived as the great external threat by every other nation in the region. Fear of India and its aspirations to regional hegemony figure significantly in all foreign policy considerations in Dhaka, Kathmandu, and Colombo. India's continuing arms buildup—it now fields the fourth largest military in the world—makes its neighbors uncomfortable, and its military intervention in the Maldives and Sri Lanka—even though by invitation—has fueled anxiety over Indian intentions. This uneasiness is increased by the security treaties India has signed with each of these states, some of which reserve to New Delhi the right to intervene in the event of internal unrest. New Delhi supports opposition parties within each nation

To the smaller South Asian countries, New Delhi and Moscow are nearly synonymous because of substantial Indo-Soviet trade connections and Soviet development aid and arms sales to India. Soviet-Indian collusion is a staple of the press in these states. South Asians note Soviet support for Indian actions in the Maldives and Sri Lanka and corresponding Indian support for the Soviet-backed regime in Afghanistan.

India itself attempts to limit Soviet involvement in the region. New Delhi jealously scrutinizes Soviet activities in South Asia to ensure that the USSR is not attempting to undermine India's regional leadership and carve out a sphere of influence distinct from that of India. The combination of these two factors—the smaller states' distrust of the Soviets because of the Indian "taint" and the unwillingness of India to allow Moscow to play too great a role—is the foremost obstacle to significant improvement in the Soviet position.

The extreme poverty of the region dictates that economics will be a critical factor in any expanded relationship between the USSR and the smaller South Asian states. This could be an opportunity for the USSR to attempt to fill the gap left by declining US aid to the region. The Soviets, however, have indicated that their own economic restructuring is their first priority, and Foreign Minister Shevardnadze has called for Soviet foreign policy to be cost-effective. Thus, it is unlikely that the Soviets would be willing to divert significant financial resources to entice these countries. Moreover, Dhaka, Colombo, and Kathmandu will take what they can get, but they regard Moscow's technology as outdated, its methods as impractical, and its aid as having too many strings attached. Even in the area of military sales, growth is unlikely. Soviet weaponry and maintenance are considered inferior to that of the West, and India has often managed to block arms sales to its smaller neighbors.

The same holds true in other areas. Cultural exchanges with Moscow draw little enthusiasm from Bangladesh, Nepal, and Sri Lanka, and scholarships to study in the USSR are viewed as better only than no schooling at all. Degrees from Soviet schools are not considered attractive or even adequate by many potential employers, and graduates of Soviet programs have little or no impact in their native countries.

Another obstacle to improved relations is the small states' perception of Soviet meddling in their internal affairs. Sizable Communist parties with well-established ties to Moscow can be found in each, many with long histories of opposition to the government. The USSR disseminates propaganda and disinformation through its assets in the local press and political circles. Moreover, each country has a litany of specific incidents of Soviet interference in domestic matters

In general, the area has a pronounced preference for the United States and the West. Many local elites were educated or have lived in the West. The Soviets have not often conducted themselves courteously toward them

Finally, the sentiment that a free-market system, rather than a socialist one, is the path to prosperity seems to prevail.

Bangladesh

Gratitude for Soviet support of Bangladesh's independence in 1971 turned to resentment of Moscow's seeming collusion with an arrogant and overbearing India, and Soviet-Bangladeshi relations

Communist Parties in the Smaller South Asian States: Declining Fortunes

A commonly heard expression in Bangladesh is that "when it rains in Moscow, members of the Communist Party of Bangladesh in Dhaka put up their umbrellas." This sentiment is a fairly accurate impression of the various Communist parties of the smaller South Asian countries, in that the USSR heavily influences their actions. All are riven by factionalism, and this, together with a pervasive regional cultural and religious bias against Communist ideology, limits the popularity and influence of the Communist parties.

The Communist Party of Bangladesh is probably the largest in the region outside India, with a membership we estimate to be between 8,000 and 12,000, although party leaders claim nearly 20,000 members. In Sri Lanka, the Communist Party is a member of the United Socialist Alliance formed in early 1988. Although its members probably only make up 20 to 30 percent of the alliance's membership and are not represented in the top leadership, the Communists exercise an influence over the alliance out of proportion to their size because of the extensive backing they receive from Moscow. Within the Sri Lankan insurgent movement considerable lipservice is paid to Marxism. The overwhelming motivation, however, of groups such as the Janatha Vimukthi Peramuna and the Liberation Tigers of Tamil Eelam—the most important and violent Sinhalese and Tamil groups, respectively—is nationalism, and we do not believe the USSR provides support to either group. The 2,500-member Communist Party of Nepal is severely split among pro-Moscow, Maoist, and Trotskyite factions. Probably only 1,500 to 2,000 Nepalese are members of the pro-Soviet faction.

Factionalism is the dominant factor in the Communist parties of these three countries, with almost any petty grievance or clash of personalities likely to result in further splintering. In the 1980s the parties have had increasing difficulty generating support, and membership ranks are filled almost exclusively by disaffected young intellectuals frustrated by the poverty, rigid social system, and Byzantine politics of their societies.

the only reason the Communist Party of Nepal has any membership at all is that, in a country where all political parties are illegal, the Party's organization and its ability to function just outside the law attracts those who seek a vehicle for their opposition to the government's policies.

were political parties legalized in Nepal, the Communist Party would quickly disintegrate.

Never important, the smaller states' Communist parties are gradually losing whatever influence they possess. As their strength wanes, Soviet influence in their operations is growing. Moscow has long been a ready source of funding, using this largess not only to control pro-Soviet factions, but also to entice other Marxist factions to join the Soviet flock. Lately, as outside contributions to the parties have declined, Soviet aid has become a greater proportion of operating budgets. In return, Moscow probably hopes to buy leverage with them to support its diplomatic efforts in the region, which will be best served if local Communists adopt a less confrontational stance and build grass-roots support.

settled into a long chill. Since 1986, the relationship has thawed. Dhaka had vociferously expressed distress about the Soviet invasion of Afghanistan, and it welcomed the withdrawal of Moscow's forces. Soviet financial support for the Communist Party of Bangladesh and the opposition Awami League has declined recently, and, [redacted] Moscow encouraged the Communists to participate in the parliamentary election in 1986—a move that pleased President Ershad by aiding his efforts to build democracy in Bangladesh. Trade between the two countries has been slowly increasing, and Dhaka has agreed to buy two An-32 transport planes to replace its aging An-26s. Moreover, in a country where anti-Indian and anti-Soviet sentiment is so strong that being labeled pro-Indian or pro-Soviet is tantamount to political death, the Bangladeshi public has proved surprisingly responsive to Gorbachev's messages of arms control and denuclearization. [redacted]

Nevertheless, the chronic problems of famine, flooding, rampant population growth, and attendant political instability dictate Bangladesh's foreign policy. Dhaka must concentrate on obtaining as much foreign aid as possible and maintaining sufficient internal stability to prevent Indian intervention, while using Chinese friendship to balance New Delhi's influence. Western aid to Bangladesh makes up 54 percent of its total foreign assistance, and further assistance from the West is channeled through multinational organizations. The USSR, which accounts for less than 3 percent of Dhaka's foreign aid, could increase its contribution, but it is not likely to replace Western influence. When visiting Dhaka in May 1987, Soviet Deputy Foreign Minister Rogachev [redacted] admitted that, despite the public fanfare Moscow was making about increasing aid to South Asia, no grants would be forthcoming, only loans and expanded trade agreements. Moreover, Bangladesh's strong Islamic culture breeds a fundamental antipathy toward Communism, severely limiting the popularity of the Communist Party of Bangladesh, and placing what amounts to a ceiling on the extent of Dhaka's ties to Moscow. [redacted]

Nepal

Like Bangladesh, Nepal also faces serious problems of poverty and potential instability—though not to the same extent. For Kathmandu, the major factor affecting its relations with the USSR is not aid, but its precarious position between China and India. Although the Himalayas hinder contact with China, entry from India is relatively open and Nepal's rivers run from the Himalayas into India. Geography has thus dictated that nearly all of Nepal's trade must move through India. New Delhi can intervene easily in the kingdom should it choose to, while China would have a much more difficult time bringing its strength to bear. [redacted]

The 1950 security treaty between Nepal and India confirms this uneasy position. [redacted] Thus, King Birendra is faced with the dilemma of being beholden to those he considers his greatest external threat. This fact dominates Nepalese foreign policy. Kathmandu was particularly disturbed by India's dispatch of troops to Sri Lanka in 1987 and the Maldives in 1988 in response to domestic unrest. It viewed these actions as manifestations of Indian expansionism that set an uncomfortable precedent for Nepal. King Birendra's solution to this predicament has been to reinforce friendship with China and to promote the idea of declaring Nepal a Zone of Peace, an proposal he first made in 1975. The proposal finds little favor in India, where it is seen as an attempt to nullify the provisions of the 1950 treaty. [redacted]

Until recently Nepal seemed to be the exception that proved the rule of Soviet policy in South Asian. Despite the presence of Soviet troops in Afghanistan and harsh Nepalese criticism of the Soviet occupation, Nepalese officials had expressed interest in improving relations with Moscow for some time. Little progress was made because Kathmandu demanded Soviet support for its Zone of Peace proposal as a prerequisite for warmer relations, and Moscow

refused in deference to India. In 1987 the Soviets secured New Delhi's approval to announce that they would consider the proposal and would encourage the support of their East European allies. This gesture led to Soviet Deputy Foreign Minister Rogachev's visit to Kathmandu in May 1987, and it seemed to clear the way for long-expected visits to Moscow by the King of Nepal and his Foreign Minister. [redacted]

Since the beginning of 1989, events seem to have halted the thaw in Soviet-Nepalese relations. India was outraged to discover that Nepal had secretly bought arms from China, and in March New Delhi followed through on threats to allow trade and transit treaties vital to the Nepalese economy to lapse. Moscow seems to have shelved its plans for expanded ties to Nepal even before Indo-Nepalese relations had deteriorated to this point. [redacted]

Sri Lanka

Sri Lanka shares the disadvantages of Nepal and Bangladesh—poverty, instability, and a worrisome proximity to India—but it has historically maintained close ties to the United States and the West as a counterweight to India. Colombo receives most of its aid from the West and strives to maintain Western interest in Sri Lanka, but this relationship can only slightly offset Indian pressure. President Premadasa is generally suspicious of India and the USSR and would prefer the United States as Sri Lanka's "protector," but he is practical enough to recognize that geography dictates otherwise. Of even greater significance, Premadasa realizes he needs the continued support of the Indian peace-keeping force to secure domestic stability, and he might be willing to explore the possibility of replacing lost US aid with Soviet funds. [redacted]

Sri Lanka is too isolated, too far from the USSR, too peripheral to Soviet interests, and too central to Indian policy for the Soviets to pursue a relationship much distinct from that with New Delhi. [redacted] When India assumed the role of mediator in the dispute in 1985, aid from Moscow abruptly ceased. In 1987, just before the Indian intervention, Soviet First Deputy Foreign Minister Vorontsov assured the Gandhi government that it had the Soviet Union's unconditional support in Sri Lanka. Throughout the occupation, Moscow has publicly followed New Delhi's line and given the impression that it considers Sri Lanka entirely India's business. [redacted]

Outlook

Dhaka, Kathmandu, and Colombo all echo Moscow's desire to improve relations. For this reason, some progress is likely to be made in the future. The growth in Soviet influence will be limited because Moscow can not afford to offer what these countries want and because it will probably avoid seeking relationships in the smaller states that might jeopardize its standing with New Delhi. In recent years, strains have surfaced in the Indo-Soviet relationship, and the smaller South Asian states are too insignificant to Moscow to justify provoking a disagreement that could further erode a relationship so important to Soviet foreign policy. The likely outcome is friendlier relations between Moscow and the smaller South Asian States, but no major breakthroughs. [redacted]

[redacted]